27

STANDING COMMITTEE ON URBAN AND RURAL DEVELOPMENT

(1995-96)

TENTH LOK SABHA

MINISTRY OF RURAL AREAS & EMPLOYMENT

JAWAHAR ROZGAR YOJANA

TWENTY-SEVENTH REPORT

सत्यमेव जयते

LOK SABHA SECRETARIAT
NEW DELHI

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(TENTH LOK SABHA)

JAWAHAR ROZGAR YOJANA

MINISTRY OF RURAL AREAS & EMPLOYMENT

(DEPARTMENT OF RURAL EMPLOYMENT & POVERTY ALLEVIATION)

[Action taken by the Government on the Recommendations contained in the Twelfth Report of the Standing Committee on Urban & Rural Development (10th Lok Sabha)]

Presented to Lok Sabha on 12 March, 1996
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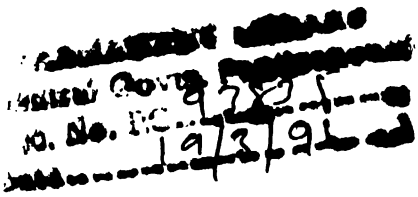

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STANDING COMMITTEE ON URBAN & RURAL DEVELOPMENT
(1995-96)

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* Ceased to be a Member of the Committee consequent upon his appointment as Minister in the Council of Ministers w.e.f. 11 June, 1995.

INTRODUCTION

I, the Chairman of the Standing Committee on Urban and Rural Development (1995-96) having been authorised by the Committee to submit the Report on their behalf, present this Twenty-Seventh Report on the action taken by Government on the recommendations contained in the Twelfth Report of the Standing Committee on Urban and Rural Development (Tenth Lok Sabha) on "Jawahar Rozgar Yojana".

2. The Twelfth Report was presented to Lok Sabha on 20th December, 1994. Replies of the Government to all the recommendations contained in the Report were received on 16th February, 1996. The Committee considered and adopted this Report at their sitting held on 8th March, 1996.

3. An analysis of the action taken by Government on the recommendations contained in the Twelfth Report of the Committee is given in Appendix II.

NEW DELHI;
March 11, 1996
Phalguna 21, 1917 (Saka)

PRATAPRAO B. BHOSALE,
Chairman,
Standing Committee on
Urban and Rural Development.

CHAPTER I

REPORT

This Report of the Standing Committee on Urban and Rural Development (1995-96) deals with the action taken by the Government on recommendations contained in their Twelfth Report on 'Jawahar Rozgar Yojana' which was presented to Lok Sabha on 20th December, 1994.

2. Action Taken notes have been received from Government in respect of all the 18 recommendations which have been categorised as follows :—

(i) Recommendations/observations, that have been accepted by the Government
Sl. Nos. 2.7 to 2.10, 3.8 to 3.10, 4.14 to 4.17, 5.14, 5.16, 5.17 and 6.14 to 6.16.

(ii) Recommendations/observations which the Committee do not desire to pursue in view of Government's replies.
Nil.

(iii) Recommendations/observations in respect of which replies of Government have not been accepted by the Committee.
Sl. No. 5.15.

(iv) Recommendations in respect of which final replies of Government are still awaited.
Nil.

3. The Committee will now deal with Action Taken by Government on some of the recommendations.

A. *Simplification of sub-streams of Jawahar Rozgar Yojana*

(Recommendation Para No. 2.10)

4. Jawahar Rozgar Yojana is instrumental in raising employment opportunities and creating durable productive assets. The Committee failed to understand the rationale behind the introduction of separate components of JRY under the first stream namely, Million Wells Scheme and Indira Awaas Yojana, as objectives under these components *i.e.*, Housing, Irrigation Works can be well taken care of under the creation of durable productive assets. The Committee fully endorsed the view given in the Eighth Five Year Plan documents stating that the present system of earmarking a certain quantum for Million Wells Scheme and Indira Awaas Yojana would have to be relaxed since several State Governments are not in a position to fulfil these stipulations. The Committee recommended that the first stream under JRY programme be simplified, considering the

distortions and blocking of money under various sub-schemes by converting it into a single component stream. The Committee opined that for successful coordination and effective implementation of the programme, implementing agencies should be given discretion to select items of works in accordance with their local needs and requirements.

5. In their action taken reply, the Government have stated that the objective of JRY is to generate employment opportunities and thereby creating durable productive assets for the benefit of the community. To ensure that the benefits of JRY also reach to the poorer section of the society, particularly, the Scheduled Castes and the Scheduled Tribes, separate funds have been earmarked for the individual beneficiary oriented schemes, namely the Million Wells Scheme and Indira Awaas Yojana. If these schemes are not specifically earmarked for the benefit of the SCs/ STs, and only single component of JRY is implemented, the danger of not reaching the benefits to these sections of the society would have been very much there.

6. The Committee are constrained to note that the reply furnished in respect of this recommendation is incomplete as it does not mention the steps taken by Government for simplifying the first stream under JRY after converting it into a single component stream. It is also observed that there are various distortions in it and funds are getting blocked up in the sub-scheme of Million Wells Scheme (MWS) and Indira Awaas Yojana (IAY). The Committee are of the opinion that Government have overlooked the aspect of realizing the primary objective of JRY viz. generation of additional gainful employment opportunities for the unemployed people in rural areas which is getting diluted due to the distortions in the sub-schemes of the first stream of JRY. They are dismayed to find that the Ministry of Rural Areas and Employment have not taken cognisance of the views of the Planning Commission expressed in its 8th Five Year Plan document to the effect that the State Governments are not in a position to fulfil the stipulation of earmarking certain quantum of funds for MWS and IAY. Further, the reply of the Government is also silent on the steps taken to delegate to local bodies the flexibility of selection of items of works to suit the local needs and requirements. The Committee, therefore, reiterate their earlier recommendation that the first stream under JRY should be simplified into single component stream. They would also like to be apprised of the action taken in this regard.

B. *Uniform Minimum Wages under JRY*

(Recommendation Para No. 5.14)

7. The Committee had observed that there are inter-state variations in the payment of minimum wages under JRY ranging from Rs. 14.25 to Rs. 42 per day. The Committee recommended that the minimum limit of wages be revised periodically keeping in view the cost of living and inflation rates so that the beneficiaries get reasonable purchasing power.

The Committee also desired the Ministry to take up the matter of National Minimum Wages throughout the country irrespective of nature of work, as recommended by Dr. Hanumantha Rao Committee and also to ensure that the same is adhered to by all the States.

8. The Government in their action taken reply stated that the workers engaged on works under Employment Assurance Scheme (EAS) are paid minimum wages as notified by the respective State Governments and UT Administrations for the relevant schedule of employment under the Minimum Wages Act. The issue of formulating a uniform national wage policy has been considered by the Ministry of Labour in the past and it was felt that such a policy prescribing a common national minimum wage structure would neither be feasible nor desirable. However, as recommended recently by the Consultative Committee of the Ministry of Rural Development, the feasibility of prescribing uniform mininum wage rates for the workers engaged under EAS is being examined in consultation with the State Governments and the Ministries of Labour and Law.

9. The Committee regret to note that the reply furnished by Government to this recommendation is ambiguous, evasive and incomplete as it does not mention the status of payment of minimum wages under JRY while it refers to the payment of minimum wages as notified by different States to workers engaged under Employment Assurance Scheme (EAS). The Committee are constrained to note that no valid reasons have been putforth while stating that the issue of formulation of a uniform national wage policy is neither feasible nor desirable. The Committee are at a loss to understand as to why the recommendation of both the Committee as well as Dr. Hanumantha Rao Committee are being ignored by Government in this regard.

The Committee, however, note that the Government is now again examining the issue of prescribing uniform minimum wage rates for workers engaged under EAS as recommended by the Consultative Committee in consultation with State Governments and Ministries of Labour and Law. The Committee would, therefore, urge the Ministry to reconsider again the matter of National Minimum Wages throughout the country in respect of works under JRY and other schemes also. They desire that the Ministry may complete the process of consultations with State Government and the Ministries of Labour and Law within a fixed time frame of six months. They would also like to be apprised of the action taken by Government in this regard at the earliest.

C' *Special Cells for grievance redressal*

(Recommendation Para No. 5.15)

10. It was noticed that there was a wide gap in the wages of male and female workers in the States of Assam, Bihar, Punjab, etc. which was a clear-cut violation of the provisions of Equal Remuneration Act. The

Committee were apprised that the Ministry of Rural Development have taken up this issue with the respective State Governments for taking corrective measures. The Committee emphasised the need to ensure equal treatment to women at the time of providing employment under JRY as well as payment of wages for the same nature of work. The Committee also recommended that special cells should be constituted at the district level for the redressal of grievances/complaints of people in regard to malpractices committed at the time of providing employment, payment of wages etc. and deterrant action should be taken against the guilty persons.

11. The Ministry in their reply stated that the difference in payment of wages to the male and female workers have not come to our notice. In order that there is no difference in the payment of wages to male and female workers, specific provisions have already been made in the JRY guidelines. Instructions have been issued to the State Governments for creation of special cell at the district level for redressal of grievances/ complaints about the implementation of the scheme.

12. The Committee are not at all satisfied with the reply of the Government as the Ministry feels content with just making certain provisions in the JRY guidelines with regard to payment of equal wages to male and female workers. It is incomprehensible to the Committee that the Ministry have not taken cognisance of the findings of evaluation studies conducted by the Ministry's own Administrative Intelligence Division that there is a wide gap in the wages being paid to male & female unskilled workers in many States viz. Assam, Bihar, Punjab etc. in violation of the provisions of Equal Remuneration Act.

Further, they find that no information has been furnished of the States and districts where special cells have been constituted at the district level for redressal of grievances/complaints of people with regard to malpractices committed at the time of providing employment, payment of wages etc. and action taken, if any, against errant officials etc. The Committee expect that the Ministry to be more careful while furnishing information on matters of importance. The Committee desire that the Ministry should inquire into the cases of reported disparities in payment of wages to male and female unskilled workers as revealed by its studies and take suitable follow-up action in this regard. The Committee, therefore, urge that they may be apprised of the details of the grievance redressal machinery setup in States and desire that the Ministry should not be content with merely issuing instructions to the States but should also take follow-up action towards implementation of the Committee's recommendations in an earnest manner.

D. *Simplification of financial procedures for release of funds*

(Recommendation Para No. 6.15)

13. The Committee noted with great concern that the amount allocated for the first three years of Eighth Five Year Plan (1992—97) constituted only 50% of the total allocations i.e. Rs. 9286 crores out of Rs. 18400

crores. The Committee were distressed to note that there have been long delays in the releases of the Central and State's share of funds to the Districts/Panchayats under JRY. The Committee were informed that the Ministry had requested the State Governments to empower the Secretaries of Rural Development in States to release Centre's share without reference to the Finance Secretary. The Committee desired the Ministry to follow up the matter with the States to bring about improvement in financial procedure for expeditious release of funds under JRY.

14. In their action taken reply, the Ministry have stated that JRY is a wage employment programme and the performance under the scheme to a large extent would be influenced by the seasonal variations during the current year. During the rainy seasons, the works under the Yojana cannot be taken up. The best months for taking up wage employment schemes are from December to May. The availability of employment in the agricultural operations in some parts of the country in the earlier quarters also affect the expenditure and employment generation in the earlier periods of the year.

15. The Committee regret to note that the reply of Government to this recommendation too is incomplete as it makes no mention of the follow-up action taken by the Ministry to bring about improvement in the financial procedure for expeditious release of funds under JRY. The reply also does not indicate whether the State Governments have empowered the Secretaries of Rural Department in States to release Centre's share of funds under JRY without reference to Finance Secretary. They expect the replies to their recommendations to be complete and to be expressed in unambiguous terms. The Committee, therefore, desire that the Ministry may take urgent steps to streamline and improve the financial procedures to enable the States to release funds under JRY expeditiously. They would like to be apprised of the steps taken in this regard at an early date.

CHAPTER II

RECOMMENDATIONS THAT HAVE BEEN ACCEPTED BY GOVERNMENT

Recommendation Para No. 2.7

The Committee find that the planning and implementation of rural poverty alleviation programme have been defective. There has been change of strategy and multiplicity of programmes introduced from time to time but still leaving rural poverty as a major problem. The Committee are of the view that there is a need to approach the problem not in an adhoc manner but as an integral part of development policy. In this connection, the Committee would like to recommend that there is an need to bring a shift from the imposition of a uniform approach throughout the country to a region based approach keeping in view the regional demographic ecological, socio-economic and technological variations. The role of the Ministry should be confined only to the declaration of specific objectives, allocation of financial resources and monitoring the implementation.

Reply of the Government

JRY was started in the year 1989-90 with the objectives of generation of additional gainful employment for unemployed youth and under-employed persons in the rural areas. Enough flexibility has been given to the implementing agencies, so that the planning and implementation is effective which is being done by the districts/village panchayats. There was a demand from different quarters that the JRY funds are too thinly spread in all the villages in the country and that the most backward regions/ districts are not receiving enough potential. The strategy for the implementation of the scheme was, therefore, changed during 1993-94 and the second and third stream of JRY were started during 1993-94 in the most backward districts/areas in the country, to take care of the specific need of that area.

[Ministry of Rural Areas & Employment, (Deptt. of Rural Employment & Poverty Alleviation) O.M. No. V-24011/24/94/RE-III dated 16.2.1996]

Recommendation Para No. 2.8

It has been observed that people below poverty line constitute the target group under JRY. Preference is given to memebrs of SCs/STs, freed bonded labourers and women. The Committee would like to emphasise, in this connection, the need for proper identification of the beneficiaries and to see that the poorest among the poor get priority under JRY. The Committee note that in pursuance of the recommendations of the Estimates Committee for proper identificaiton of families living below the

poverty line, the Ministry of Rural Development had undertaken house to house survey in respect of 27 States/UTs. The Committee, would like to recommend that the Ministry should ensure the preparation of the correct list of people at district/block level, who constitute the target group under JRY with the provision to revise the list periodically. Further, a provision should be made for issuing Identity Cards cum Pass books to the beneficiaries under JRY as has been done in the case of the New Employment Assurance Scheme.

Reply of the Government

The employment under JRY is provided in the form of casual manual works for which only the really poor offer themselves as labourers. Thus the self-targetting character of the scheme do not warrant the identification of beneficiaries. However, under the individual beneficiary scheme of IAY/MWS, the beneficiaries are selected from the list of the identified persons, who are below the poverty line by the district. The self-targetting character of the scheme also does not warrant the issuing of identity cards-cum-pass-books to the workers.

[Ministry of Rural Areas & Employment, (Deptt. of Rural Employment & Poverty Alleviation) O.M. No. V-24011/24/94/RE-III dated 16.2.1996]

Recommendation Para No. 2.9

The Committee note that under JRY, funds are allocated to the village Panchayat by giving 60% weightage to the SC/ST population and 40% of the total population of the Panchayat. The Committee desire that a guideline should be issued to the concerned authorities to give due weightage to such villages also which do not have SC/ST population and to allocate funds accordingly for the benefit of the persons belonging to other categories coming under the poverty line.

Reply of the Government

In accordance with JRY Manual for the purpose of allocation of funds to each village panchayat, the population of the village less than 1,000 population is taken as 1,000 and more than 10,000 as 10,000. The total population and SC/ST population is also adjusted accordingly which ensure that the total population is also given due weightage while allocating funds.

[Ministry of Rural Areas & Employment, (Deptt. of Rural Employment & Poverty Alleviation) OM.No. V-24011/24/94/RE-III dated 16.02.1996]

Recommendation Para No. 2.10

Jawahar Rozgar Yojana is instrumental in raising employment opportunities and creating durable productive assets. The Committee have failed to understand the rationale behind the introduction of separate components of JRY under the first stream namely, Million Wells Scheme and Indira Awaas Yojana, as objectives under these components i.e., Housing, Irrigation Works can be well taken care of under the creating of durable productive assets. In this connection, the Committee fully endorse the view given in the Eighth Five Year Plan document stating that the present system of earmarking a certain quantum for Million Wells Scheme and Indira Awaas Yojana would have to be relaxed since several State Governments are not in a position to fulfil these stipulations. Taking into account the distortions and blocking up of money under various sub-schemes, the Committee recommend that the first stream under JRY programme should be simplified by converting it into a single component stream. Implementing agencies should be given discretion to select items of work in accordance with their local needs and requirements. It will help in effective and successful coordination and implementation of the programme.

Reply of the Government

The objective of JRY is to generate employment opportunities and thereby creating durable productive assets for the benefit of the community. To ensure that the benefits of JRY also reach to the poorer section of the society , particularly, the Scheduled Castes and the Scheduled Tribes, separate funds have been earmarked for the individual beneficiary oriented schemes, namely the Million Wells Scheme and Indira Awaas Yojana. If these schemes are not specifically earmarked for the benefit of the SCs/STs, and only single component of JRY is implemented, the danger of not reaching the benefits to these sections of the society would have been very much there.

[Ministry of Rural Areas & Employment, (Deptt. of Rural Employment & Poverty Alleviation) OM.No. V-24011/24/94/RE-III dated 16.02.1996]

Comments of the Committee

[Please see Paragraph No. 6 of Chapter I of the Report.]

Recommendation Para No. 3.8

Keeping in mind the objectives of JRY, it is understood that the selection of investment projects should be guided by the need to use technologies which have the potential to absorb the mass of rural poor. Products involving labour-intensive techniques should be given priority.

Specific skills among the personnel in preparing development plans, formulation of standard designs and cost estimates, monitoring the performance etc. are the essence of JRY programme since creating of

durable productive assets is one of its main aims. A continuous training programme for officials, non-officials and workers is required to be planned from the outset. It should be both at location specific level as well as in the existing institutions like CAPART, National Institute of Rural Development (NIRD) etc.

The Committee are distressed to note that most of the villages are not even aware of the Council for Advancement of People's Action and Rural Technology (CAPART) which aims at promoting variety of activities of transfer of technololgy, imparting technical training, development of markets for products of rural enterprises etc. The Committee are of the opinion that there is a need to improve technical competence so as to ensure standard design, economical cost norms, increase in productivity and diversification of activities for generation of more employment avenues and income etc. Further, the selection of appropriate technology also has a crucial role under JRY. It is, therefore, recommended that immediate steps should be taken in order to strengthen the extension services throughout the rural areas and to impart technical knowledge. In addition to providing necessary increase in funds, the need is to have more effective coordination, with the related Ministries/Deptts. and institutions, depending upon the kind of work undertaken. Furthermore, financial assistance to the institutions like CAPART should also be enhanced in order to exploit the potential of voluntary organisations, of which CAPART is the apex body. The Committee expect that the CAPART would give equal and fair treatment to all the rural areas poors.

Reply of the Government

CAPART, an autonomous body under the Deptt. of Rural Development is angaged all over the country to make technical knowhow easily available. Besides, there is already a provision for training of officials and workers in our JRY Manual. Ministry has also requested DG(CAPART) to work on the lines suggested by the Committee for which adequate funds have already been provided by the Ministry.

[Ministry of Rural Areas & Employment, (Deptt. of Rural Employment & Poverty Alleviation) OM.No. V-24011/24/94/RE-III dated 16.02.1996]

Recommendation Para No. 3.9

The Commiteee have been appraised that the collectors are the Chief Executive Officers—who are the chairman DRDA. The Committee desire that the Collector should not be overburdened with the work of JRY. The Committee would like to recommend that at DRDA level, a separate officer of equal rank other than the Collector should be solely assigned the task of implementation of JRY.

Reply of the Government

As the Chief law enforcing agency in a district, the Collector plays a major persuasive and coordinating role between different rural employment agencies. This role is crucial in the implementation of JRY which involves huge sum of money. However, instructions have been issued to the State Govts. that at DRDA level, a separate officer of equal rank having all the powers as a Collector, should be solely assigned the task of implementation of JRY. It may also be pointed out here that in some States which have Zila Parishads, JRY is being looked after by the CEO of the concerned Zila Parishads.

[Ministry of Rural Areas & Employment, (Deptt. of Rural Employment & Poverty Alleviation) OM.No. V-24011/24/94/RE-III dated 16.02.1996]

Recommendation Para No. 3.10

The Committee desire that in order to ensure public awareness and people's participation, a guideline should be issued to the implementing agencies at the District/Block level directing them to bring out a monthly publication on JRY containing details about the allocations of funds, the expenditure incurred, the targets fixed and the achievements there against in each village.

Reply of the Government

This however forms part of the JRY guidelines and the Ministry has also reiterated the same.

[Ministry of Rural Areas & Employment, (Deptt. of Rural Employment & Poverty Alleviation) OM.No. V-24011/24/94/RE-III dated 16.02.1996]

Recommendation Para No. 4.14

The Committee note that in creation of assets, such works which have the potential of fulfilling the objectives of Jawahar Rozgar Yojana. e.g. animal husbandary, dairying and poultry farming, fishery, sericulture, small and cottage industries etc. have been neglected. These areas provide not only enormous opportunities for both wage employment and self-employment but they also have a high growth potential. The Committee would like to recommend that instead of imposing a fixed list of works, the Ministry should give free hand to the district/block level authorities in so far as the selection of works is concerned. It will open up new vistas of works depending upon regional and local requirements.

Reply of the Government

Land development for pasture and digging of ponds for fisheries is already being done under JRY in many States. As JRY is a wage employment programme the activities like animal husbandary, dairy, cottage industries etc. are not permitted but these can be taken up under IRDP only. An illustrative list of works that can be taken up under JRY has

been prescribed in JRY manual. This list is not exhaustive and Districts panchayats have been given enough freedom to select any item of work as per the felt needs of the area.

[Ministry of Rural Areas & Employment, (Deptt. of Rural Employment & Poverty Alleviation) OM.No. V-24011/24/94/RE-III dated 16.02.1996]

Recommendation Para No. 4.15

The Committee have noticed that the selection process of works to be undertaken for creation of productive assets under JRY is improper and uneven resulting into low priority given to social forestry, land reclamation, minor irrigation projects, watershed development, pasture and grassland development, civic amenties and infrastructure, development etc.

The Committee are of the opinion that prioritization of types of works depending upon the long term impact of the assets on employment, economy and quality of life in rural areas should have been incorporated in the programme. In this connection, the Committee would like to recommend that broad policy guidelines should be issued by the Ministry as regards the aspect of preference to be followed in creation of assets. Keeping in mind the regional and local requirements, village panchayats should give first priority to those works which are economically and environmentally substantial e.g social forestry, reclamation of land, small scale and cottage industries, plantation, minor irrigation projects, water supply, dairying, drainage etc. Second priority should be given to such assets which are not directly productive but promote development in a region e.g. roads, market centres etc. Improvement of quality of life of rural poor by making them available school buildings e.g. primary and high schools, residential houses, community centres, panchayat ghars etc. should be accorded the last priority.

Reply of the Government

Though broad prioritisation of items of works that can be taken up under JRY have already been indicated in the revised JRY guidelines but the Districts/village panchayat can also take up the works as per the felt needs of the areas.

[Ministry of Rural Areas & Employment, (Deptt. of Rural Employment &. Poverty Alleviation) OM.No. V-24011/24/94/RE-III dated 16.02.1996]

Recommendation Para No. 4.16

It is clearly mentioned in the Annual Action Plan that completion of incomplete works is to be given priority over new ones. The Committee are perturbed to note that this aspect has not been given due attention. The Committee would like to recommend that the provision for giving priority to the completion of spill over works should be made a mandatory provision. The Committee would also like to recommend that funds under JRY should be released atleast for two financial years at a stretch in order to facillitate village panchayats to have proper planning as regards the

works to be undertaken. Further, the criteria for allocation of funds to the villages should take into account the nature of works to be undertaken for the ensuing year.

Reply of the Government

To ensure that the unfinished works are given priority for completion, Ministry of Rural Areas & Employment releases second instalment under the scheme after they have furnished the certificates to the effect that unfinished works are receiving priority for completion and no work started more than two years remained unfinished.

In case of panchayats, we are receiving smaller annual allocations like in Haryana's panchayats etc. We have allowed the State Governments to club the releases as they deem fit for taking up viable works in the village panchayat areas.

[Ministry of Rural Areas & Employment, (Deptt. of Rural Employment & Poverty Alleviation) OM.No. V-24011/24/94/RE-III dated 16.02.1996]

Recommendation Para No. 4.17

The Committee note that most of the assets created under the Yojana are taken over by the concerned regular Departments of the State Govts. and are to be maintained by those Deptts. through their normal budget grants. It goes without saying that the durable assets already created under JRY should be preserved, protected and strengthened. The Committee would like the Ministry to ensure that the assets created under JRY are properly maintained. Adequate funds should be made available for the purpose.

Reply of the Government

State Govts. are required to make adequate provisions in their budget for the maintenance for JRY assets taken over by line Deptts.

However, 10% JRY allocation can also be utilised by the implementing agencies for the maintenance of assets created under JRY till these assets are transferred to the concerned Deptts. of the State Govts.

[Ministry of Rural Areas & Employment, (Deptt. of Rural Employment & Poverty Alleviation) OM.No. V-24011/24/94/RE-III dated 16.02.1996]

Recommendation Para No. 5.14

The Committe observe that there are inter-State variations in so far as the payment of minimum wages under JRY is concerned, ranging from Rs. 14.25 to Rs. 42 per day. The Committee would like to recommend that the minimum limit of wages should be revised periodically keeping in view the cost of living and inflation rates so that the beneficiaries get reasonable purchasing power. The Committee would also like the Ministry to take up the matter of National Minimum wages throughout the country irrespective of nature of work, as has been recommended by Dr. Hanumantha Rao Committee and to ensure that the same is adhered to by all the States.

Reply of the Government

Workers engaged on works under Employment Assurance Scheme (EAS) are paid minimum wages as notified by the respective State Govts. and U.T. Administrations for the relevant schedule of employment under the Minimum Wages Act. The issue of formulating a uniform national wage policy has been considered by the Ministry of Labour in the past and it was felt that such a policy prescribing a common national minimum wage structure would neither be feasible nor desirable. However, as recommended recently by the Consultative Committee of the Ministry of Rural Development, the feasibility of prescribing uniform minimum wage rates for the workers engaged under EAS is being examined in consultation with the State Govts., Ministry of Labour and the Ministry of Law.

[Ministry of Rural Areas & Employment, (Deptt. of Rural Employment & Poverty Alleviation) OM. No. V-24011/24/94/RE-III dated 16.02.1996]

Comments of the Committee

[Please *see* Paragraph No. 9 of Chapter I of the Report.]

Recommendation Para No. 5.16

The Committee are dismayed to note that food for work component under JRY is proving to be ineffective due to various reasons *e.g.* poor quality of foodgrains, problem of storage and transportation facilities, involvement of multiple agencies, lower market price in comparison to the price of foodgrains supplied under JRY, insistence on cash payment by the workers etc. The Committee desire that the matter should be reviewed with a view of giving an option to the workers to get wages either fully in cash or partly in form of cash and partly in the form of foodgrains, keeping in view the variations in the kinds of foodgrains which they generally like.

Reply of the Government

The payment of part wages in kind is not mandatory but optional, depending upon the market price of foodgrains etc. This stipulation is already contained in the JRY Manual. Instructions have also recently been issued to the State Govts. stating that it has been brought to the notice of the Govt. of India by some States that foodgrains are available in the open market sometimes at prices cheaper than those prescribed under the Public Distribution System and the workers engaged under JRY would, therefore, be at a disadvantage if foodgrains are compulsorily given to them at the rate prescribed under the PDS. In view of this possibility which may occur during some months in a year it has now been decided that the distribution of foodgrains under the Rural Employment Programmes may be optional depending upon the prices in the open market, subject to the Rural Development, Food and Civil Supplies Deptt. ensuring through close

monitoring that at all times the participants in the rural employment programmes are able to obtain foodgrains at prices not higher than those notified for these programmes.

[Ministry of Rural Areas & Employment, (Deptt. of Rural Employment & Poverty Alleviation) O.M. No. V-24011/24/94/RE-III dated 16.02.1996]

Recommendation Para No. 5.17

As regards the wages and material ratio of 60:40, the Committee are of the opinion that most of the works which are/can be undertaken under JRY, require revision of existing wage-material ratio on account of large increase in unit cost due to inflationary tendencies. Moreover, cost of unit also varies from State to State, region to region, as it involves various aspects *e.g.* transportation, cost of equipments and materials, geographical conditions, availability of basic infrastructure etc. The Committee, therefore, recommend that in order to ensure creation of durable productive assets and quality of work, the prescribed ratio between material and wage cost should be made flexible within certain minimum limits giving discretion to village panchayats to adjust the ratio according to their requirements.

Reply of the Government

JRY is primarily a wage employment programme where majority of funds should go towards wage component. Hence, it may not be advisable to reduce the wage component under JRY. However, in order to meet the high cost of material, the resources of other non-Plan and Plan programmes can be dovetailed with JRY funds.

[Ministry of Rural Areas & Employment, (Deptt. of Rural Employment & Poverty Alleviation) O.M. No. V-24011/24/94/RE-III dated 16.02.1996]

Recommendation Para No. 6.14

JRY Manual stipulates that involvement of contractor is banned under the programme. The Committee are perturbed to note that the practice prevalent is quite different. Contractors, middlemen are engaged unofficially in the selection of works as well as execution of works. It leads to cost escalation of works and brings less benefit to the beneficiaries. The Committee would like this practice to be corrected at the earliest. Complaints/Grievances, in this connection, should be entertained by the Special Grievance Cell, constitution of which has already been recommended by the Committee at para No. 5.15 of this report. Deterrent actions should be taken against the persons who are responsible for engagement of contractors.

Reply of the Government

Instructions have been issued to the State Govt's to constitute the special grievance cell at the district level.

[Ministry of Rural Areas & Employment, (Deptt. of Rural Employment & Poverty Alleviation) O.M. No. V-24011/24/94/RE-III dated 16.02.1996]

Recommendation Para No. 6.15

The Committee have noted with great concern that the amount allocated for the first three years of Eighth Five Year Plan (1992-97) constitutes only 50% of the total allocations *i.e.* Rs. 9286 crores out of Rs. 18400 crores. They also regret to note that the under-utilisation of funds allocated for intensified JRY scheme in 120 backward districts, where only Rs. 288.50 crores have been utilised during the year 1993-94 out of total allocation of Rs. 702.56 crores. The Committee are also distressed to note that there have been long delays in the release of the Central and State's share to the District/Panchayat level under JRY. The Committee have been informed that the Ministry of Rural Development have requested the State Govts. to empower the Secretaries of Rural Development in States to release Centre's share without reference to the Finance Secretary. The Committee would like the Ministry to follow up the matter with the States to bring about improvement in financial procedure for expeditious release of funds under JRY.

Reply of the Government

JRY is a wage employment programme and the performance under the scheme to a large extent would be influenced by the seasonal variations during the current year. During the rainy season, the works under the Yojana cannot be taken up. The best months for taking up wage employment schemes are from December to May. The availability of employment in the agricultural operations in some parts of the country in the earlier quarters also effect the expenditure and employment generation in the earlier periods of the year.

Secondly, the first instalment of funds for the Intensified JRY was released in the month of November'93 only as this scheme was cleared by the Union Cabinet only in the middle of October'93. Also, this was a new scheme and the Action Plan etc. were to be prepared for the implementation of this scheme, it took some time for the State to get it grounded. In the States of Uttar Pradesh and Madhya Pradesh, elections were held in November'93 and the implementation of the second stream of JRY could not commence until the elections were over.

[Ministry of Rural Areas & Employment, (Deptt. of Rural Employment & Poverty Alleviation) O.M. No. V-24011/24/94/RE-III dated 16.02.1996]

Comments of the Committee

[Please see Paragraph No. 15 of Chapter I of the Report.]

Recommendation Para No. 6.16

The Committee are perturbed to note that there have been reports of diversion and misappropriation of funds allocated to the Jawahar Rozgar Yojana. The Committee stress the need to strengthen the monitoring system in order to ensure not only the proper utilisation of financial resources but also to make the implementing agencies accountable for cases of diversions and misappropriations. They should be allowed to divert funds within the JRY but not outside the purview of the programme.

Reply of the Government

Jawahar Rozgar Yojana is reviewed regularly by the Central and the State Govts. The review of the programme is done through monthly, quarterly and annual progress reports received from the State Govts. Besides, the State headquarters and districts, sub-division and block level officers closely monitor all aspects of the programme through visits to work sites. State Level Coordination Committee (SLCCs) for rural development also monitor the progress of implementation of Jawahar Rozgar Yojana along with other schemes. A representative from the Ministry of Rural Areas & Employment also participate in the SLCC meetings.

In addition, the Govt. of India periodically convenes meetings with the State Secretaries and the Project Directors of District Rural Development Agencies/Zilla Parishads to review the programme with a view to effecting improvements in the quality of implementation. The Govt. of India has also undertaken concurrent evaluation of JRY through independent institutions/organisations to assess its impact in the rural areas in relation to the specific objectives of the programme.

The Ministry of Rural Areas & Employment have also introduced a system of Area Officers with a view to effectively monitoring various programmes of rural development including JRY. Under the scheme, senior officers at the level of Deputy Secretary and above have been allocated one or two States to them and they give a feedback on the implementation of rural development programmes including JRY. To give greater attention to the States with higher proportion of rural poor and unemployed, the Area Officers Scheme has further been strengthened w.e.f. 1.1.1994 by including officers from the Deptt. of Programme Implementation, Department of Wastelands Development and the Planning Commission also in the various teams of Area Officers.

The monitoring of the programme at the State level is done by the State Level Coordination Committee for Rural Development Programmes. Since the implementation of JRY is decentralised, effective supervision has to be exercised by the elected Panchayati Raj bodies, who will be in direct charge of the implementation of this programme. Following the Constitution (73rd Amendment) Act, 1992, it is expected that the 3—tier

system of Panchayati Raj will be in position throughout the country. The Planning and implementation of JRY is thus expected to improve substantially with the active participation of the people and their representatives.

[Ministry of Rural Areas & Employment, (Deptt. of Rural Employment & Poverty Alleviation) O.M. No. V-24011/24/94/RE-III dated 16.02.1996]

CHAPTER III

RECOMMENDATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF GOVERNMENT'S REPLIES

—NIL—

CHAPTER IV

RECOMMENDATIONS IN RESPECT OF WHICH REPLIES OF GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE

Recommendation Para No. 5.15

It has been noticed that there is a wide gap in the wages of male and female workers in number of States *e.g.* Assam, Bihar, Punjab, etc. which is a clear-cut violation of the provision of Equal Remuneration Act. The Committee have been apprised that the M/o Rural Development have taken up this issue with the respective State Govts. for taking corrective measures. The Committee emphasise the need to ensure equal treatment to women at the time of providing employment under JRY as well as payment of wages for the same nature of work. The Committee, also recommend that special cells should be constituted at the District level for the redressal of grievances/complaints of people in regard to malpractices committed at the time of providing employment, payment of wages etc. and deterrent action should be taken against the guilty persons.

Reply of the Government

The difference in payment of wages to the male and female workers have not come to our notice. In order that there is no difference in the payment of wages to male and female workers, specific provisions have already been made in the JRY guidelines. Instructions have been issued to the State Govts. for creation of special cell at the district level for redressal of grievances/complaints about the implementation of the scheme.

[Ministry of Rural Areas & Employment, (Deptt. of Rural Employment & Poverty Alleviation) OM. No. V-24011/24/94/RE-III dated 16.02.1996]

Comments of the Committee

[Please *see* Paragraph No. 12 of Chapter I of the Report.]

CHAPTER V

RECOMMENDATIONS IN RESEPCT OF WHICH FINAL REPLIES OF GOVERNMENT ARE STILL AWAIED

—NIL—

NEW DELHI;
11 March, 1996
21 Phalguna, 1917 (Saka)

PRATAPRAO B. BHOSALE,
Chairman,
Standing Committee on
Urban & Rural Development.

APPENDIX I

MINUTES OF THE 28TH SITTING OF THE COMMITTEE ON URBAN & RURAL DEVELOPMENT (1995-96) HELD ON 8th MARCH, 1996

The Committee sat from 15.00 hrs. to 16.30 hrs.

PRESENT

Shri Prataprao B. Bhosale — *Chairman*

MEMBERS

2. Shri P.P. Kaliaperumal
3. Shri P.R. Kumaramangalam
4. Shri Maruti Deoram Shelke
5. Shri Surendra Pal Pathak
6. Shri Girdhari Lal Bhargava
7. Shri Ram Singh Kashwan
8. Shri Sudhir Giri
9. Shri Nilotpal Basu
10. Shri Ram Deo Bhandari
11. Shri Shivprasad Chanpuria
12. Dr. B.B. Dutta
13. Shri B.K. Hariprasad
14. Prof. Vijay Kumar Malhotra

SECRETARIAT

1. Smt. Roli Srivastava— *Joint Secretary*
2. Shri G.R. Juneja — *Deputy Secretary*
3. Smt. Sudesh Luthra — *Assistant Director*

2. The Committee considered and adopted the following draft Reports:

(i) ** ** ** ** ** ** **

(ii) ** ** ** ** ** ** **

(iii) Report on Action Taken by Government on recommendations contained in the 12th Report on Jawahar Rozgar Yojana.

3. The Committee also authorised the Chairman to finalise the Reports and present the same to the Parliament.

The Committee then adjourned.

APPENDIX II

(*Vide* Para 3 of Introduction)

Analysis of the Action Taken by Government on the recommendations contained in the Twelfth Report of the Standing Committee on Urban and Rural Development (10th Lok Sabha).

I.	Total Number of Recommendations	18
II.	Recommendations that have been accepted by Government (Para Nos. 2.7 to 2.10, 3.8 to 3.10, 4.14 to 4.17, 5.14, 5.16, 5.17 and 6.14 to 6.16.	17
	Percentage to Total	94.44
III.	Recommendations which the Committee do not desire to pursue in view of the Government's Replies	Nil
	Percentage to Total	—
IV.	Recommendation in respect of which replies of Government have not been accepted by the Committee (Para No. 5.15)	1
	Percentage to Total	5.56
V.	Recommendation in respect of which final replies of Government are still awaited	Nil
	Percentage to Total	—